

Message Text

SECRET

PAGE 01 SAIGON 06229 140948Z

11

ACTION SS-30

INFO OCT-01 ISO-00 /031 W

----- 010227

P 140841Z MAY 74

FM AMEMBASSY SAIGON

TO SECSTATE WASHDC PRIORITY 4621

INFO AMEMBASSY JAKARTA PRIORITY

S E C R E T SAIGON 6229

EXDIS

E.O. 11652: GDS

TAGS: ENGR, PBOR, VS, ID

SUBJECT: ENERGY-LOS: GOI-GVN CONTINENTAL SHELF DISPUTE

REF: A) STATE 093228; B) STATE 086714; C) SAIGON 5238

1. WHILE THERE ARE OF COURSE GOOD REASONS FOR A GENERAL POLICY OF NOT BECOMING INVOLVED IN DISCUSSION OF MERITS OF CONFLICTING OFF SHORE CLAIMS, THIS PRINCIPLE --- LIKE OTHER EQUALLY DESIRABLE PRINCIPLES --- MIGHT BEAR OCCASIONAL SCRUTINY IN LIGHT OF SPECIFIC US INTERESTS. THE FACT IS THAT THE STATE OF RELATIONS BETWEEN GOI AND GVN ON QUESTION OF CONTINENTAL SHELF CLAIMS IS VOLATILE AND OF DIRECT US INTEREST. IF MATTERS ALLOWED TO DRIFT THERE COULD BE POTENTIALLY DANGEROUS CONFRONTATION BETWEEN SAIGON AND JAKARTA. IT APPEARS TO US THAT TO AVERT SERIOUS QUARREL BETWEEN THESE TWO GOOD FRIENDS OF THE US, WITH ALL THE DAMAGE THIS WOULD DO TO OUR WHOLE POLICY IN SOUTHEAST ASIA, WE JUST CANNOT AFFORD A TOTALLY "HANDS OFF" POSTURE. WE BELIEVE US SHOULD, QUIETLY AND BEHIND THE SCENE, DO WHAT IT CAN DIPLOMATICALLY TO PROMOTE OPENING A MUCH NEEDED POLITICAL LEVEL GOI-GVN NEGOTIATION OF CONTINENTAL SHELF DISPUTE. IT WAS WITH THIS OBJECTIVE IN MIND THAT WE ORIGINALLY SUGGESTED IT MIGHT SERVE US INTERESTS BY QUIETLY ENCOURAGING INDONESIAN INVITATION TO GVN TO ATTEND ASEAN CONFERENCE AS OBSERVER.

2. WITH REGARD TO QUESTION PUT PARA 5 OF REF (A), WE BELIEVE, AS REPORTED PARA 3 REF (C), THAT THE GVN MAY SEND A NAVAL VESSEL TO

SECRET

SECRET

PAGE 02 SAIGON 06229 140948Z

INVESTIGATE AGIP ACTIVITY IN THE DISPUTED AREA IN THE NEAR FUTURE.

IN FACT, GVN HAS ALREADY LEARNED FROM SINGAPORE SOURCES THAT AGIP HAS LOCATED GAS, AND KHOI, HEAD OF GVN NATIONAL PETROLEUM BOARD, HAS TOLD US THAT IF A THIRD AGIP WELL IS DRILLED GVN WOULD "HAVE TO MAKE AN ON THE SCENE RECONNAISSANCE". AS THE HISTORY OF THE PARACELS AND SPRATLYS AFFAIR SHOWS, THE GVN IS QUICK TO ACT WHEN IT CONSIDERS SOUTH VIETNAMESE TERRITORY THREATENED. SINCE THE GVN WAS WILLING TO TAKE ON THE PRC IN THE PARACELS, AND THEN PROCEED DESPITE PRC THREAT TO SEND GVN NAVY TO REINFORCE SPRATLYS, WE DOUBT THAT MILITARY PREPARATIONS UNDER WAY AT NATUNA ISLAND WOULD DETER THEM IN THE SLIGHTEST FROM TAKING ACTION AGAINST AGIP WELLS IF IT APPEARED THAT INDONESIA WAS UNILATERALLY ANNEXING WHOLE DISPUTED AREA OF CONTINENTAL SHELF. IN VIEW OF LOSS OF PARACELS, COUPLED WITH SHOCK THAT USG NOT PREPARED TO BE INVOLVED IN ANY WAY EITHER OVER PARACELS OR SPRATLYS, GVN HIGHLY UNLIKELY ACCEPT ANY INDONESIAN "FORCE MAJEURE" APPROACH, ESPECIALLY SINCE THEY HAVE CONSIDERABLE CONTEMPT FOR INDONESIAN MILITARY CAPABILITIES. IT IS ALSO QUITE LIKELY THAT, AS IN THE CASE OF THE SPRATLYS, USG WOULD NOT BE INFORMED BEFORE ACTION HAD TAKEN PLACE.

3. BY NOT INVITING GVN AS AN OBSERVER TO THE RECENT ASEAN CONFERENCE GOI UNFORTUNATELY LOST EXCELLENT OPPORTUNITY TO USE SIDE CONVERSATIONS IN ORDER TO DEFUSE DISPUTE DIPLOMATICALLY WITH FOREIGN MINISTER BAC WHO IS HIMSELF AN EXPERT ON LAW OF SEA MATTERS. NEXT OPPORTUNITY WE CAN SEE FOR NORMAL HIGH LEVEL GOI-GVN MEETING WOULD BE JUNE 20 AT LOS CONFERENCE IN CARACAS WHERE BAC WILL INITIALLY REPRESENT GVN. SO LONG A DELAY WILL CERTAINLY RISK FURTHER DEEPENING OF DISPUTE AND HARDENING OF POSITIONS ON BOTH SIDES. THIS WOULD SEEM MINIMUM WE COULD REASONABLY EXPECT ON SCALE OF POSSIBLE DAMAGE TO US INTERESTS IN AREA, IF WE REMAIN COMMITTED TMSPOLICY OF US ALOOFNESS TO PROBLEM.

4. WE MUST NOT DELUDE OURSELVES THAT THE OTHER END OF SCALE MIGHT NOT WELL INCLUDE GVN UNILATERAL ACTION TO PREVENT PRESUMPTION OF LEGAL VALIDATION OF INDONESIAN CLAIM BY GVN LACK OF ACTION IN FACE OF DE FACTO INDONESIAN ASSUMPTION OF SOVEREIGNTY BY AUTHORIZING FURTHER DRILLING. DEPARTMENT MIGHT WISH TO CALCULATE WHAT EFFECT SUCH ACTION WOULD HAVE ON BOTH INDONESIAN AND GVN ATTITUDES TOWARD USG OBJECTIVES IN LOS

SECRET

SECRET

PAGE 03 SAIGON 06229 140948Z

CONFERENCE. WE HAVE BEEN EXERTING QUIET PRESSURE TO HAVE GVN REACH SOME ACCOMMODATION WITH THAI ON DISPUTE OVER FISHING ZONE UNTIL AFTER CARACAS CONFERENCE. DEPARTMENT MIGHT ALSO WISH TO CONSIDER WHAT NATIONS MIGHT BE AVAILABLE FOR POSSIBLE REPLACEMENT OF INDONESIA ON ICCS, SINCE GOI WOULD CERTAINLY AGAIN REEXAMINE ITS INTEREST IN CONTINUED PARTICIPATION.

5. IN THE LONGER RANGE, IT HAS SEEMED TO US TO BE VERY MUCH IN

OVERALL US INTERESTS TO QUIETLY ENCOURAGE ACCEPTANCE OF THE GVN AS INTEGRAL PART OF SOUTHEAST ASIA COMMUNITY OF NATIONS WITH AN OBVIOUS PRESENT AND FUTURE CONTRIBUTION TO A LARGER US OBJECTIVE -- THE SECURITY, STABILITY, INCREASING COHESION AND ECONOMIC PROGRESS OF THE AREA AS A WHOLE. IF, AS WE BELIEVE, THIS CONCEPTUAL APPROACH IS VALID, PERHAPS EMBASSY JAKARTA AND THE DEPARTMENT MAY WISH TO RECONSIDER WHETHER THE PRESENT POSTURE OF DISINTERESTED ALOOFNESS TO WHICH REF (B) SEEMS TO COMMIT US REALLY IS THE WISEST COURSE TO PURSUE IN THE LONG RANGE.

6. FOR NOW, WE HAVE A PROBLEM WHICH WE HAVE CONSERVATIVELY DESCRIBED AS VOLATILE. OUR SUGGESTIONS ON HOW TO DEFUSE IT HAVING BEEN REJECTED, WE WOULD NOW VERY MUCH WELCOME OTHER SUGGESTIONS.

MARTIN

SECRET

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ENERGY, LAW OF THE SEA, CONTINENTAL SHELF, TERRITORIAL WATERS, NEGOTIATIONS, FISHING LIMITS, PETROLEUM RESERVES, EXPLORATORY DRILLING
Control Number: n/a
Copy: SINGLE
Draft Date: 14 MAY 1974
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974SAIGON06229
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740118-0054
From: SAIGON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740549/aaaabrlg.tel
Line Count: 130
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION SS
Original Classification: SECRET
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: SECRET
Previous Handling Restrictions: EXDIS
Reference: A) STATE 093228; B) STATE 086714; C)
Review Action: RELEASED, APPROVED
Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
Review Date: 24 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 JUL 2002 by kelleyw0>; APPROVED <14 FEB 2003 by GarlanWA>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ENERGY-LOS: GOI-GVN CONTINENTAL SHELF DISPUTE
TAGS: ENRG, PBOR, VS, ID
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005